

**For Immediate Release**

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(Jackson, MS) – Governor Ronnie Musgrove released the following statement today regarding HB 1036 and SB 2542:

“The attacks of September 11, combined with ensuring homeland security, the sharp decline of the stock market, the war on terror and now against Iraq, are spiraling the national economy towards recession. To deal with this national recession many states have been forced to layoff state workers, cut funding to education, raise taxes, and even release prisoners.

“I have always said, especially during tough economic times, we have to set priorities. This year I worked with our legislature to put our future – our public schools – first without raising taxes. By working together, we were able to make wise investments in our future.

“The Rainy Day Fund was set up during the Fordice Administration to provide a cushion in tough economic times. The times we face are indeed tough. HB 1036 spends almost all of our current savings. SB 2542 authorizes spending future savings.

“In the interest of sound fiscal management, I am vetoing both bills. It is my hope to work with the legislature to reach a compromise on the budget without jeopardizing the fiscal integrity, as well as the future, of Mississippi.”

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